

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF REVENUE  
DIVISION OF LOCAL SERVICES**

Property Tax Bureau  
Informational Guideline Release (IGR) No. 91-205  
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**ABATEMENT OF PROPERTY TAXES UNDER \$10**

Ch. 281 of the Acts of 1990  
(Amending G.L. Ch. 60, S. 2)

**SUMMARY:**

Recent local option legislation provides that city and town collectors need not pursue the collection of tax bills on which the outstanding balance of the tax due is less than ten dollars. The purpose of the new law is to relieve collectors of the obligation to pursue the collection of small balances on property tax bills in the interest of administrative efficiency. It is not to give taxpayers relief from small bills as a matter of right.

The new law will only be in effect in those communities which accept it. In contrast with the provisions of G.L. Ch. 59 §71, which permit the abatement of unlimited amounts of personal property tax but only if the taxpayer is deceased, bankrupt or absent, the new law applies to real as well as personal property tax balances under \$10, and the collector does not have to certify any reason for the abatement.

If the collector requests the assessors to abate a small tax balance, the assessors must issue the abatement. The ten dollar limit applies to the amount of the tax, so an abatement under this provision may be authorized even if the total bill, including interest and charges, exceeds ten dollars.

**GUIDELINES:**

1. Abatements of tax bills less than \$10 may be made under G.L. Ch. 60 §2 only in those communities that have accepted the provisions of the statute. Acceptance requires a majority vote of town meeting, town council or city-council with the mayor's approval where required.
2. Assessors in communities that have accepted the statute should still commit property taxes to the collector in amounts under \$10.
3. Since the abatements authorized by the statute are intended as an administrative alternative to efforts to enforce collection, collectors should mail out bills committed in amounts under \$10 unless the amount of the bill is so small that it does not even justify the cost of mailing. Abatements should be sought for those that remain unpaid.
4. The new law authorizes abatements only of property taxes. Abatements of motor vehicle excise bills and bills for other town charges such as water, sewer and trash bills are not authorized by this law.
5. A collector is not prohibited from undertaking additional steps to enforce collection before deciding to request an abatement under this provision.
6. An abatement is only authorized if the total outstanding tax, not counting interest and charges, is less than ten dollars.
7. If the remaining balance of the tax is abated, no interest will be due on account of the amount abated. If interest and charges will remain after the abatement of the tax, a collector should not request an abatement.

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**Example No. 1.** A taxpayer is mailed a \$1,000 real estate tax bill on September 30th. He pays nothing until May 2nd, and after being granted a \$100 abatement, he pays \$895 of the tax. An abatement of the remaining \$5 in taxes will extinguish only the interest on the \$5 amount abated. Interest that accrued because payments were not made on time will still have to be collected. Therefore, because the collector will still have to collect that interest balance, there is no reason to seek to abate the remaining \$5 of the unpaid tax.

**Example No. 2.** A taxpayer who gets a \$3,000 bill makes payments of \$1,300 each on October 31 and April 30. He is granted an abatement of \$395, leaving a balance of \$5 in tax still due. The only interest due will be the interest on that unpaid \$5 of tax. An abatement of the \$5 will therefore extinguish all the remaining interest due as well as the tax. Extinguishing the interest as well as the tax will spare the collector the trouble of further collection efforts, which is the purpose for which the law was enacted.

8. A balance of interest and charges under \$5 that remains after abatement may be waived by the collector under G.L. Ch. 60 §15.

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The Division of Local Services is responsible for oversight of and assistance to cities and towns in achieving equitable property taxation and efficient fiscal management.

The Division regularly publishes IGRs (informational Guideline Releases detailing legal and administrative procedures) and the BULLETIN (announcements and useful information) for local officials and others interested in municipal finance.

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